

110TH CONGRESS  
1ST SESSION

# H. R. 3351

To adapt the lessons of foreign aid to underdeveloped economies to the provision of Federal economic development assistance to similarly situated remote Native American communities, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2007

Mr. YOUNG of Alaska introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To adapt the lessons of foreign aid to underdeveloped economies to the provision of Federal economic development assistance to similarly situated remote Native American communities, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Native American Chal-  
5       lenge Demonstration Project Act of 2007”.

6       **SEC. 2. PURPOSES.**

7       The purposes of this Act are to—

1           (1) adapt the lessons of foreign aid to under-  
2       developed economies, such as the experience of the  
3       Millennium Challenge Corporation, to the provision  
4       of Federal economic development assistance to simi-  
5       larly situated remote Native American communities;

6           (2) provide Federal economic development as-  
7       sistance for Native communities through the Native  
8       American Challenge Demonstration Project;

9           (3) administer Federal economic development  
10      assistance in a manner that promotes economic  
11      growth and the elimination of poverty and strength-  
12      ens good governance, entrepreneurship, and invest-  
13      ment in Native communities;

14          (4) improve the effectiveness of Federal eco-  
15      nomic development assistance by encouraging the in-  
16      tegration and coordination of such assistance in Na-  
17      tive American communities;

18          (5) promote sustainable economic growth and  
19      poverty reduction policies in Native American com-  
20      munities in a manner that promotes self-determina-  
21      tion and self-sufficiency among remote Native Amer-  
22      ican communities while preserving their cultural val-  
23      ues; and

1           (6) establish a demonstration project which, if  
2           successful, may be broadly applied to other Native  
3           American communities in the United States.

4 **SEC. 3. DEFINITIONS.**

5           In this Act:

6           (1) ELIGIBLE ENTITY.—The term “ eligible en-  
7           tity” means—

8                   (A) the Association of Village Council  
9                   Presidents, the Bristol Bay Native Association,  
10                  and the Alaska Federation of Natives applying  
11                  jointly;

12                  (B) in the State of Hawaii, a consortia of  
13                  local Native Hawaiian community organizations  
14                  to be determined by the Secretary in consulta-  
15                  tion with the Secretary of Interior and the Of-  
16                  fice of Hawaiian Affairs; and

17                  (C) in the contiguous states, up to three  
18                  organizations to be determined by the Secretary  
19                  in consultation with the Secretary of the Inte-  
20                  rior, which organizations may be Indian tribes,  
21                  consortia of Indian tribes, or nongovernmental  
22                  entities authorized by one or more Indian  
23                  tribes.

1           (2) COMPACT.—The term “compact” means a  
2       binding agreement with the United States pursuant  
3       to this Act.

4           (3) ECONOMIC DEVELOPMENT STRATEGY OF  
5       THE ELIGIBLE ENTITY.—The term “economic devel-  
6       opment strategy of the eligible entity” means a  
7       strategy written by the eligible entity and designed  
8       to achieve sustainable economic growth and reduce  
9       poverty over a defined period, developed in consulta-  
10      tion with public and private sector entities as appro-  
11      priate to the geographic area and intended bene-  
12      ficiaries of the compact.

13          (4) INDIAN TRIBE.—The term “Indian tribe”  
14      shall have the meaning given the term in section  
15      4(e) of the Indian Self Determination and Education  
16      Assistance Act (25 U.S.C. 450 et seq.).

17          (5) RENEWAL.—The term “renewal” means the  
18      negotiated extension of a compact.

19          (6) SECRETARY.—The term “Secretary” means  
20      the Secretary of Commerce, Office of the Secretary.

21   **SEC. 4. NATIVE AMERICAN MILLENNIUM CHALLENGE DEM-**  
22                           **ONSTRATION PROJECT.**

23          (a) ESTABLISHMENT.—The Secretary shall establish  
24      and implement a demonstration project in the Department  
25      of Commerce.

1 (b) AUTHORIZATION OF ASSISTANCE.—The Sec-  
2 retary may provide assistance under this section to an eli-  
3 gible entity that enters a compact with the United States  
4 pursuant to this Act.

5 (c) FORM OF ASSISTANCE.—Assistance under this  
6 section—

7 (1) shall be provided in the form of funding  
8 agreements established by the compacts;

9 (2) may not be provided in the form of loans;  
10 and

11 (3) may not be used for gaming activities pur-  
12 suant to the Indian Gaming Regulatory Act (25  
13 USC 2701 et seq.).

14 (d) COORDINATION.—

15 (1) IN GENERAL.—The provision of assistance  
16 under this section shall be coordinated with other  
17 Federal economic development assistance programs  
18 for Native Americans.

19 (2) INTEGRATED FUNDING.—The Secretary, in  
20 cooperation with other Secretaries as appropriate,  
21 shall, upon execution of a compact with an eligible  
22 entity, authorize the eligible entity to coordinate its  
23 federally funded economic development assistance  
24 programs in a manner that integrates the program  
25 services into a single, coordinated program.

1           (3) AGENCIES AND DEPARTMENTS.—The Fed-  
2       eral agencies and departments administering eco-  
3       nomic development assistance programs for Native  
4       Americans are the following:

5                   (A) Department of Agriculture.

6                   (B) Department of Commerce.

7                   (C) Department of Energy.

8                   (D) Department of Health and Human  
9       Services.

10                  (E) Department of Housing and Urban  
11       Development.

12                  (F) Department of the Interior.

13                  (G) Small Business Administration.

14                  (H) Such other Federal agencies and in-  
15       strumentalities as the Secretary determines ap-  
16       propriate.

17       (e) PROGRAMS AFFECTED.—The programs that may  
18       be integrated pursuant to this Act shall include any pro-  
19       gram under which an Indian tribe is eligible for receipt  
20       of funds under a statutory or administrative formula for  
21       economic development purposes.

22       (f) WAIVER AUTHORITY.—Upon receipt of the exe-  
23       cuted compact, the Secretary shall consult with the eligible  
24       entity and the Secretary of each Federal agency or depart-  
25       ment providing funds to be used to implement the compact

1 in order to identify any waivers of statutory requirements  
2 or applicable regulations, policies, or procedures necessary  
3 to enable the eligible entity to implement its compact.

4 **SEC. 5. NATIVE AMERICAN CHALLENGE COMPACTS.**

5 (a) COMPACTS.—The Secretary shall develop and rec-  
6 ommend procedures for considering proposals for com-  
7 pacts submitted by eligible entities. The Secretary may  
8 provide assistance to an eligible entity only if the eligible  
9 entity enters into an agreement with the United States,  
10 to be known as a “Native American Challenge Compact”,  
11 that establishes a multi-year plan for achieving develop-  
12 ment objectives in furtherance of the purposes of this Act.

13 (b) ELIGIBLE ENTITIES-CRITERIA FOR SELEC-  
14 TION.—The Secretary shall develop an application process  
15 and criteria for selecting the eligible entities, taking into  
16 account—

- 17 (1) the purposes of this Act;  
18 (2) the economic development strategy of the el-  
19 igible entity;  
20 (3) the remoteness of the reservation or com-  
21 munity to be served;  
22 (4) its general economic status;  
23 (5) poverty rates; and  
24 (6) the capacity of the applicant.

1       (c) ASSISTANCE FOR DEVELOPMENT OF A COM-  
2 PACT.—To the extent that funds have been appropriated  
3 in advance and are available for this section, the Secretary  
4 may enter into contracts with or make grants to any eligi-  
5 ble entity for the purposes of facilitating the development  
6 and implementation of a compact between the United  
7 States and the eligible entity.

8       (d) DURATION AND EXTENSION.—The term of an  
9 initial compact may not exceed five years. An eligible enti-  
10 ty and the United States may enter into one or more sub-  
11 sequent compacts in accordance with the requirements of  
12 this Act. If a compact is nearing its expiration or has ex-  
13 pired, the eligible entity and the United States may re-  
14 negotiate or extend the compact for as many periods as  
15 the parties agree, with each period not exceeding 10 years.

16       (e) APPLICATION.—The Secretary shall develop and  
17 recommend procedures for considering proposals for com-  
18 pacts submitted by eligible entities.

19       (f) ELEMENTS.—In furtherance of the economic de-  
20 velopment strategy of the eligible entity, the compact shall  
21 contain—

22               (1) a description of the specific objectives for  
23       sustainable economic development and the reduction  
24       of poverty that the eligible entity and the United

1 States expect to achieve during the term of the com-  
2 pact;

3 (2) a description of the respective roles and re-  
4 sponsibilities of the eligible entity and the United  
5 States in the achievement of such objectives;

6 (3) a list and description of regular benchmarks  
7 to measure progress toward achieving such objec-  
8 tives;

9 (4) an identification of the intended bene-  
10 ficiaries, disaggregated by income level, gender, and  
11 age, to the maximum extent practical; and

12 (5) a multi-year financial plan to guide the im-  
13 plementation of the compact, including the estimated  
14 level of funding and other contributions by the  
15 United States and the eligible entity, proposed  
16 mechanisms to execute the plan, and periodic assess-  
17 ments to determine whether the requirements of  
18 subparagraphs (1) through (4) are being met.

19 (g) SUSPENSION AND TERMINATION OF ASSIST-  
20 ANCE.—

21 (1) IN GENERAL.—The Secretary may suspend  
22 or terminate assistance in whole or in part for an  
23 entity that has entered a compact with the United  
24 States if the Secretary determines that—

1 (A) the entity has failed to adhere to its  
2 responsibilities under the compact, or

3 (B) the entity has engaged in a pattern of  
4 actions inconsistent with the purposes of this  
5 Act.

6 (h) REINSTATEMENT.—The Secretary may reinstate  
7 assistance for an entity only if the Secretary determines  
8 that the entity has demonstrated a commitment to cor-  
9 recting each condition for which assistance was suspended  
10 or terminated under subsection (f).

11 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

12 (a) IN GENERAL.—There are authorized to be appro-  
13 priated to carry out this Act \$20,000,000 for each of fiscal  
14 years 2008 through 2012. Any funds authorized but not  
15 appropriated may be appropriated in subsequent fiscal  
16 years, provided that the cumulative level of funds author-  
17 ized to be appropriated for Fiscal Year 2008 through  
18 2012 shall not exceed \$100,000,000. Sums appropriated  
19 under this section shall remain available until expended.

20 (b) ADMINISTRATIVE FUNDS.—Of the funds made  
21 available by this Act, no more than 5 percent may be used  
22 by the Secretary for administrative expenses and program  
23 oversight.

1 **SEC. 7. PROGRAM ASSESSMENTS AND REPORTS.**

2 (a) REPORTS OF ELIGIBLE ENTITIES.—Not later  
3 than March 15, 2008, and annually thereafter, each the  
4 eligible entity shall prepare and submit to the Secretary  
5 a written report regarding the assistance provided under  
6 this Act during the previous fiscal year.

7 (b) REPORT CONTENTS.—A report required under  
8 subsection (a) shall include the following:

9 (1) The amount of obligations and expenditures  
10 for assistance provided during the prior fiscal year.

11 (2) A description of the programs and activities  
12 conducted by the entity in furtherance of its eco-  
13 nomic development strategy and the purposes of this  
14 Act.

15 (3) An assessment of the effectiveness of the  
16 assistance provided and progress made by the entity  
17 toward achieving its economic development strategy  
18 and the purposes of this Act.

19 (4) Other information the eligible entity con-  
20 siders relevant considering the purposes of this Act.

21 (c) TRANSMITTAL TO CONGRESS.—Not later than  
22 May 15, 2008, and annually thereafter, the Secretary shall  
23 transmit reports required under subsection (a), with such  
24 other information the Secretary considers relevant, to the  
25 Committee on Energy and Commerce and the Committee  
26 on Natural Resources in the House of Representatives,

1 and the Committee on Indian Affairs, the Committee on  
2 Commerce, Science, and Transportation, and the Com-  
3 mittee on Energy and Natural Resources in the Senate.

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